

Geotecnia 7, S. A.

Annual Report

2010

80



**INTEVIAL**  
**Gestão Integral Rodoviária, S.A.**

---

**Audit of the Component's Financial Information Clearance Memorandum**  
**for the year ended December 31, 2010**



www.bca-sroc.pt

Rua Odette Saint-Maurice, 3-CK, Piso 0-F  
1700-097 LISBOA - PORTUGAL  
Tel.: (+351) 217 520 250 - Fax: (+351) 217 520 259  
E-mail: bca.lisboa@bca-sroc.pt

Av. da Boavista, 1203, 6º, Sala 606  
4100-130 PORTO - PORTUGAL  
Tel.: (+351) 217 520 250 - Fax: (+351) 217 520 259  
E-mail: bca.porto@bca-sroc.pt

## Audit of the Component's Financial Information Clearance Memorandum

**From:** Baptista da Costa & Associados, SROC, S.A.  
**Date:** 31/12/2010  
**Subject:** Audit of INTEVIAL - Gestão Integral Rodoviária, S.A.'s Financial Information for the year ended December 31, 2010

We have audited the financial information comprising the Balance Sheet as at December 31, 2010, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date included in the accompanying reporting package of INTEVIAL - Gestão Integral Rodoviária, S.A. for the year ended December 31, 2010 using the Accounting Policies stipulated by the holding company, IL&FS Transportation Networks Limited, and in accordance with International Standards on Auditing.

The preparation of the Balance Sheet, the Profit & Loss Account and the Cash Flow Statement is the responsibility of INTEVIAL - Gestão Integral Rodoviária, S.A.'s management. As stated therein, the Balance Sheet, the Profit & Loss Account and the Cash Flow Statement has been prepared *in accordance with the recognition and measurement criteria as adopted by the Group* for inclusion in the consolidated financial information of IL&FS Transportation Networks Limited (ITNL) and are intended solely for that purpose.

Based on our audit of INTEVIAL - Gestão Integral Rodoviária, S.A., and read together with our comments above, in our opinion and according to the information and explanations given to us, we report that the Financial Statements comprising of the Balance Sheet, the Profit & Loss Account and the Cash Flow Statement as at / for the year ended 31 December 2010 has been prepared, in all material respects, in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956, other recognised accounting practices and policies stipulated by the Holding Company, IL&FS Transportation Networks Limited (ITNL) and that the amounts contained in the Financial Statements are appropriate for inclusion in the consolidated financial ITNL as at / for the year ended 31 December 2010.

This communication is provided to you solely for the information and use in the consolidated financial statements of ITNL Group for the year ended December 31, 2010. It should not be distributed to anyone in the Group, any of its components, or any other third party.

Lisbon, April 20, 2011

Baptista da Costa & Associados, SROC, S.A.  
(Statutory Auditors)  
represented by Gabriel Correia Alves, Statutory Auditor

**INTEVIAL, S.A.****(FOR CONSOLIDATION INTO THE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION NETWORKS LIMITED)**  
**BALANCE SHEET AS AT December 31, 2010**

	Schedule	Euros	As at December 31, 2010 Euros
<b>SOURCES OF FUNDS</b>			
Shareholders' funds			
Capital	<b>A</b>	750,000	
Reserves and surplus	<b>B</b>	<u>(22,322)</u>	727,678
Minority interest			-
Preference shares issued by subsidiary to Minority			-
Advance towards capital of subsidiary			-
Loan funds	<b>C</b>		
Secured		581,714	
Unsecured		<u>-</u>	581,714
Deferred tax liability			-
			<u><u><b>1,309,392</b></u></u>
<b>APPLICATION OF FUNDS</b>			
Fixed assets	<b>D</b>		
Gross block		3,169,984	
Less: Depreciation		<u>3,013,997</u>	
Net fixed assets		155,987	
Capital work in progress		<u>-</u>	155,987
Goodwill on consolidation			-
Investments	<b>E</b>		-
Receivable under Service Concession Arrangement			-
Deffered Tax Asset			429,896
Current assets, loans & advances	<b>F</b>		
Inventories		80,640	
Unbilled Revenue		2,360,979	
Sundry debtors		1,142,046	
Cash and bank balances		1,054	
Other current assets		-	
Loans and advances		<u>-</u>	
		3,584,719	
Less : Current liabilities & provisions	<b>G</b>		
Current liabilities		2,657,401	
Provisions		<u>203,809</u>	
		2,861,210	
Net current assets			723,509
			<u><u><b>1,309,392</b></u></u>
Significant accounting policies	<b>O</b>		
Notes to account	<b>P</b>		

In terms of our clearance memorandum attached.  
For [Name of audit firm]  
Chartered Accountants

For and on behalf of the Board

[Name of partner]  
Partner

Managing Director

Director

Place:  
Date: \_\_\_\_\_

Company Secretary

**INTEVIAL, S.A.****(FOR CONSOLIDATION INTO THE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION NETWORKS LIMITED)****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED december 31, 2010**

	Schedule	Year ended December 31, 2010 Euros	Year ended December 31, 2009 Euros
<b>INCOME</b>			
Income from operations	H	9,617,720	11,259,461
Other Income	I	69,423	439,042
Foreign exchange fluctuation (Net)		-	-
		<u>9,687,143</u>	<u>11,698,503</u>
<b>EXPENSES</b>			
Increase / decrease in stock in trade and work in progress			
Consumption of raw materials			
Operating Expenses	J	6,718,825	7,314,714
Employee Cost	K	1,698,038	2,069,276
Administrative and general expenses	L	990,430	1,936,869
Interest and finance charges	M	110,750	193,170
Preliminary expenses written off		-	-
		<u>9,518,043</u>	<u>11,514,030</u>
PROFIT BEFORE DEPRECIATION AND TAX		169,100	184,474
Depreciation		96,340	128,931
PROFIT BEFORE DIMINUTION AND TAX		<u>72,760</u>	<u>55,543</u>
Provision for Diminution in value of investments		-	-
PROFIT BEFORE TAX		<u>72,760</u>	<u>55,543</u>
Provision for tax	N	(51,738)	(53,880)
PROFIT AFTER TAX (BEFORE ADJUSTMENT OF MINORITY INTREST)		<u>21,023</u>	<u>1,663</u>
Less: Share of profit transferred to minority interest		-	-
Add: Own share in Associate included as Minority interest of a Jointly Controlled Entity		-	-
PROFIT AFTER TAX (AFTER ADJUSTMENT OF MINORITY INTREST)		<u>21,023</u>	<u>1,663</u>
Add / Less : Share of Profit / (Loss) of associates		-	-
<b>PROFIT AFTER TAX</b>		<u>21,023</u>	<u>1,663</u>
Balance of profit brought forward		-	-
Profit available for appropriation		<u>21,023</u>	<u>1,663</u>
Appropriations:			
Transfer to general reserve		-	-
Transfer to debenture redemption reserve		-	-
Proposed dividend on equity shares		-	-
Tax on dividend on equity shares		-	-
Premium on preference shares of subsidiary		-	-
Tax on dividend and premium on preference shares of subsidiary		-	-
<b>Balance carried forward</b>		<u>21,023</u>	<u>1,663</u>

Basic / Diluted earnings per share (Face value per share Rs. \_\_\_\_)

Significant accounting policies  
Notes to accountO  
PIn terms of our clearance memorandum attached.  
For [Name of audit firm]  
Chartered Accountants

For and on behalf of the Board

[Name of partner]  
Partner

Managing Director

Director

Place:  
Date:

Company Secretary

**INTEVIAL, S.A.**(FOR CONSOLIDATION INTO THE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION NETWORKS LIMITED)  
CASHFLOW STATEMENTS FOR THE YEAR ENDED December 31, 2010

	As at December 31, 2010 Euros	As at December 31, 2009 Euros
<b>Cash Flow from Operating Activities</b>		
<b>Profit Before Taxes, Minority Interest &amp; Share of Profits of Associates</b>	<b>72,760</b>	<b>55,543</b>
<b>Adjustments for :-</b>		
Interest on loans granted	-	-
Interest on short term deposit placed	-	-
Interest on debentures issued	-	-
Interest on call money placed	-	-
Interest on fixed deposits with original maturity of less than three months	-	-
TDS on Interest on fixed deposits with original maturity of less than three months	-	-
(Profit)/Loss on sale of investments	-	-
Dividend income	-	-
Interest and finance expense	110,740	193,132
(Profit)/Loss on sale of fixed assets	-	-
Provision for Compensated Absences	-	-
Provision for Gratuity	-	-
Depreciation	96,340	128,931
Provision for Doubtful Debts	37,191	187,890
Provision for Overlay	-	-
Provision for diminution in value of investments	-	-
Capital advances written off	-	-
Exchange rate Fluctuation reserve	-	-
Foreign Exchange difference	-	-
Excess provision written back	-	-
<b>Operating profit before Working Capital Changes</b>	<b>317,031</b>	<b>565,495</b>
<b>Adjustments changes in working capital:</b>		
(Increase) / decrease in receivables	(287,128)	(89,861)
(Increase) / decrease in other current assets	-106,348.38	-198,819.10
(Increase) / decrease in inventories	-	-
(Increase) / decrease in loans and advances	-	-
Increase / (decrease) in current liabilities & provisions	-	-
<b>Cash Generated from Operating Activities</b>	<b>(76,445)</b>	<b>276,815</b>
Direct Taxes (paid) / receivable (Net)	49,276	54,928
<b>Net Cash Flow from Operations (A)</b>	<b>(27,169)</b>	<b>331,743</b>
<b>Cash flow from Investing Activities</b>		
Purchase of fixed assets	(15,268)	(12,566)
Proceeds from sale of fixed assets	-	-
Purchase of / advance towards investments	-	-
Refund of advance towards investments	-	-
Sale proceeds of investments	45,000	67,614
Loans given	-	-
Loans received back	-	-
Fixed Deposit placed with original maturity of more than three months	-	-
Fixed Deposit encashed with original maturity of more than three months	-	-
Interest on fixed deposits	-	-
TDS on Interest on fixed deposits with original maturity of more than three months	-	-
Investment in call money (net)	-	-
Interest received	-	-
Acquisition of a Subsidiary (net of cash and cash equivalents)	-	-
Goodwill Acquired	-	-
Capital Grant received	-	-
(Increase) in Receivable under Service Concession Arrangement	-	-
<b>Net Cash from Investing Activities (B)</b>	<b>29,732</b>	<b>55,048</b>
<b>Cash flow from Financing Activities</b>		
Increase / (decrease) in Advance towards capital	-	150,000
Proceeds from borrowings	45,000	-
Repayments of borrowings	(350,379)	(424,675)
Interest paid	-	-
Increase / (Decrease) in creditors for finance charges	-	-
Dividend paid	-	-
Contribution by minority	-	-
<b>Net Cash from Financing Activities (C)</b>	<b>(305,379)</b>	<b>(274,675)</b>
<b>Net Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(302,816)</b>	<b>112,116</b>
Cash and Cash Equivalent at the beginning of the year	303,870	191,754
Cash and Cash Equivalent at the end of the year	1,054	303,870
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(302,816)</b>	<b>112,116</b>
<b>Notes:</b>		
<b>Components of Cash &amp; Cash Equivalent</b>		
Cash on Hand	-	849
Cheques on Hand	-	-
Balance with Scheduled Banks - Current Accounts	1,054	303,022
Balance with Scheduled Banks in term deposits (maturity less than 3 months)	-	-
	1,054	303,870
Fixed deposits placed for periods exceeding 3 months	-	-
Cash & Bank Balances (Refer Schedule No."F" )	<b>1,054</b>	<b>303,870</b>

Significant accounting policies  
Notes to accountO  
PIn terms of our clearance memorandum attached.  
For {Name of audit firm}  
Chartered Accountants

For and on behalf of the Board

[Name of the partner]  
Partner

Director Director

Place:  
Date:

Company Secretary

**INTEVIAL, S.A.**

(FOR CONSOLIDATION INTO THE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION NETWORKS LIMITED)  
SCHEDULES TO BALANCE SHEET AS AT December 31, 2010

**SCHEDULE A : CAPITAL**

	As at December 31, 2010 Euros	As at December 31, 2009 Euros
<b>AUTHORISED</b>		
150000 equity shares of Euro 5 each	750,000	750,000
	<b>750,000</b>	<b>750,000</b>
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>		
150000 equity shares of Euro 5 each fully paid up (Refer footnote)	750,000	750,000
	<b>750,000</b>	<b>750,000</b>

*Footnote:*

*Of the above, 150000 shares are held by Elsamex Internacional, SL*

**INTEVIAL, S.A.****(FOR CONSOLIDATION INTO THE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION NETWORKS LIMITED)  
SCHEDULES TO BALANCE SHEET AS AT December 31, 2010****SCHEDULE B : RESERVES AND SURPLUS**

	Euros	As at December 31, 2010 Euros	As at December 31, 2009 Euros
Securities premium account			
Balance as per last Balance Sheet			-
Addition during the period			-
		-	-
<b>SUPPLEMENTARY CAPITAL</b>			
Opening balance	980,910		830,910
Transfer during the period	-		150,000
		980,910	980,910
Capital reserve			
Opening balance	92,050		92,050
Transfer during the period	83		-
		92,133	92,050
Capital reserve on consolidation			
Opening balance	-		-
Transfer during the period	-		-
		-	-
Other statutory reserves (created through transfer of profits)			
Opening balance	(1,117,967)		(1,358,010)
Transfer during the period	1,580		240,042
		(1,116,387)	(1,117,967)
Debenture redemption reserve			
Opening balance	-		-
Addition during the period (post acquisition)	-		-
		-	-
General reserve			
Opening balance	-		-
Add : Transfer during the period	-		-
		-	-
Foreign Exchange Fluctuation Reserve (Net of deferred tax asset of Rs. _____ )			
Opening balance	-		-
Add/(Less): Adjustment during the period (Net)	-		-
		-	-
Cash Flow Hedge Reserve			
Opening balance	-		-
Add/(Less): Adjustment during the period (Net)	-		-
		-	-
Balance in Profit and loss account		21,023	1,663
<b>Total reserves and surplus</b>		<b>(22,322)</b>	<b>(43,344)</b>



**INTEVIAL, S.A.****(FOR CONSOLIDATION INTO THE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION NETWORKS LIM  
SCHEDULES TO BALANCE SHEET AS AT December 31, 2010****SCHEDULE C : LOAN FUNDS**

	As at December 31, 2010 Euros	As at December 31, 2009 Euros
<b>SECURED</b>		
From banks	581,714	776,343
From financial institutions	-	-
From others	-	-
Non convertible debentures	-	-
Deep discount bonds	-	-
Zero Coupon Bonds	-	-
Lease Finance	-	-
Interest accrued and due	-	-
Total secured loans	<u>581,714</u>	<u>776,343</u>
<b>UNSECURED</b>		
From Bank		
Short term loans	-	-
Other than short term loans	-	-
From Others		
Short term loans	-	-
Other than short term loans	-	-
Non-Convertible Debentures	-	-
Interest accrued and due	-	-
Total unsecured loans	<u>-</u>	<u>-</u>
<b>Total loan funds</b>	<u>581,714</u>	<u>776,343</u>

**INTEVIAL, S.A.**  
 (FOR CONSOLIDATION INTO THE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION NETWORKS LIMITED)  
 SCHEDULES TO BALANCE SHEET AS AT December 31, 2010

Schedule D : FIXED ASSETS

Particulars	Gross Block					Depreciation			Net Block		Rupees	
	Opening as at 31/12/2009	Opening adjustments	Additions	Deletions	Closing as at 31.12.10	Upto 31/12/2009	Opening adjustments	For the period	Deletions	Upto 31.12.10	As at 31.12.10	As at 31/12/2009
<b>Tangible Assets</b>												
Land	-	-	-	-	-	-	-	-	-	-	-	-
Building & Structures	-	-	-	-	-	-	-	-	-	-	-	-
Roads and bridges	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles	17,668	-	-	-	17,668	-	-	-	-	-	-	-
Data Processing Equipments	3,176,078	-	-	87,729	3,088,348	16,893	-	775	63,912	17,668	-	-
Office Premises	-	-	-	-	-	2,945,184	-	88,739	-	2,970,011	118,337	-
Leasehold Improvements	48,520	-	15,448	-	63,968	19,492	-	6,826	-	26,318	37,650	-
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-	-	-
Electrical Installations	-	-	-	-	-	-	-	-	-	-	-	-
Plant & Machinery	-	-	-	-	-	-	-	-	-	-	-	-
Advertisement Structure	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	3,242,266	-	15,448	87,729	3,169,984	2,981,569	-	96,340	63,912	3,013,997	155,987	260,696
<b>Leased Assets</b>												
Plant & Machinery	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-
Furniture & fixtures	-	-	-	-	-	-	-	-	-	-	-	-
Building & Structures	-	-	-	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>												
Softwares / licenses	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Rights Acquired	-	-	-	-	-	-	-	-	-	-	-	-
Right Under Service Concession Arrangements	-	-	-	-	-	-	-	-	-	-	-	-
Trademarks and Licenses	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total fixed assets</b>	3,242,266	-	15,448	87,729	3,169,984	2,981,569	-	96,340	63,912	3,013,997	155,987	260,696

**INTEVIAL, S.A.**

(FOR CONSOLIDATION INTO THE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION NETWORKS LIMITED)  
SCHEDULES TO BALANCE SHEET AS AT December 31, 2010

**SCHEDULE E : INVESTMENTS**

	As at December 31, 2010 Euros	As at December 31, 2009 Euros
Investments in associates	-	-
Less: Unrealised gain on transactions between the Company and its associates	-	-
Add: Post-acquisition share of profit/ (loss) of associates	-	-
Add: Post-acquisition share of movement in the capital reserves of an associate	-	-
Less: Cash flow Hedge Reserve	-	-
	-	-
<u>Long term investments</u>		
Unquoted equity shares (fully paid up)	-	-
Other investments	-	-
Sub total	-	-
<u>Current investments</u>		
In units of mutual funds (Market value as June 30, 2010 Rs._____)	-	-
Sub total	-	-
	-	-
Less: Provision for diminution	-	-
<b>Total investments</b>	-	-

**INTEVIAL, S.A.**

(FOR CONSOLIDATION INTO THE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION NETWORKS LIMITED)  
SCHEDULES TO BALANCE SHEET AS AT December 31, 2010

**SCHEDULE F : CURRENT ASSETS AND LOANS & ADVANCES**

	As at December 31, 2010 Euros	As at December 31, 2009 Euros
<b>CURRENT ASSETS</b>		
<b>INVENTORIES (at lower of cost and market value)</b>		
Raw Material	80,640	135,964
Finished Goods	-	-
Stores and Spares	-	-
<b>Total inventories</b>	<u>80,640</u>	<u>135,964</u>
<b>SUNDRY DEBTORS (Unsecured, considered good unless otherwise stated)</b>		
Considered good	1,142,046	1,183,092
Considered doubtful	-	-
	<u>1,142,046</u>	<u>1,183,092</u>
Less: Provision for doubtful debts	-	-
<b>Total sundry debtors</b>	<u>1,142,046</u>	<u>1,183,092</u>
<b>CASH AND BANK BALANCES</b>		
Cash in hand	-	849
Balance with scheduled banks		-
In current accounts	1,054	303,022
In fixed deposits	-	-
Balance with non-scheduled banks		-
In current accounts	-	-
In fixed deposits	-	-
<b>Total cash and bank balances</b>	<u>1,054</u>	<u>303,870</u>
<b>OTHER CURRENT ASSETS</b>		
Interest accrued	-	-
Option premium assets	-	-
Receivable against sale of investments	-	-
<b>Total other current assets</b>	<u>-</u>	<u>-</u>
<b>LOANS AND ADVANCES</b>		
Advances recoverable in cash or in kind or for value to be received	-	-
Deposits	-	-
Advance payment of taxes (net of provision)	-	-
Advance Fringe benefit tax (net of provision)	-	-
Long term loans	-	-
Short term loans	-	-
Advance towards Capital / Share Application Money	-	-
Investment in Call Money	-	-
Grant receivable from National Highway Authorities of India	-	-
<b>Total loans and advances</b>	<u>-</u>	<u>-</u>
<b>Total current assets and loans &amp; advances</b>	<u><u>1,223,740</u></u>	<u><u>1,622,927</u></u>

**INTEVIAL, S.A.****(FOR CONSOLIDATION INTO THE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION NETWORKS LIMITED)**  
**SCHEDULES TO BALANCE SHEET AS AT December 31, 2010****SCHEDULE G : CURRENT LIABILITIES AND PROVISIONS**

	As at December 31, 2010 Euros	As at December 31, 2009 Euros
<b>CURRENT LIABILITIES</b>		
Sundry creditors	2,657,401	2,171,912
Advance received	-	-
Interest accrued but not due	-	-
Other liabilities	-	-
Unearned revenue	-	-
Income received in advance	-	-
<b>Total current liabilities</b>	<b>2,657,401</b>	<b>2,171,912</b>
<b>PROVISIONS</b>		
Provision for fringe benefit tax (net of advance)	-	-
Provision for Tax (net of advance)	51,738	53,880
Provision for employee benefits	-	-
Proposed dividend on equity shares	-	-
Provision for tax on proposed dividend on equity shares	-	-
Provision for dividend on preference shares of subsidiary	-	-
Provision for premium on preference shares of subsidiary	-	-
Provision for tax on preference dividend of subsidiary	-	-
Provision for tax on preference share premium of subsidiary	-	-
Provision for overlay	-	-
Provision for contingency	152,071	191,322
<b>Total provisions</b>	<b>203,809</b>	<b>245,202</b>
<b>Total current liabilities &amp; provisions</b>	<b>2,861,210</b>	<b>2,417,113</b>

**INTEVIAL, S.A.****(FOR CONSOLIDATION INTO THE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION NETWORK)  
SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED December 31, 2010****SCHEDULE H : INCOME FROM OPERATIONS**

		Year ended December 31, 2010 Euros	Year ended December 31, 2009 Euros
<b>Income from services</b>			
Advisory and project management fees		-	-
Lenders' engineer and supervision fees		-	-
Operation and maintenance income		9,617,720	11,259,461
Toll revenue		-	-
Periodic Maintenance Income		-	-
Finance Income		-	-
License Fee		-	-
<b>Total</b>	<b>(a)</b>	<b>9,617,720</b>	<b>11,259,461</b>
<b>Traded products</b>			
Sales (net of sales tax)		-	-
<b>Total</b>	<b>(b)</b>	<b>-</b>	<b>-</b>
Construction Income			
<b>Total</b>	<b>(c)</b>	<b>-</b>	<b>-</b>
<b>Total income from operations (a+b+c)</b>		<b>9,617,720</b>	<b>11,259,461</b>

**INTEVIAL, S.A.****(FOR CONSOLIDATION INTO THE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION NETWORKS LIMIT  
SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED December 31, 2010****SCHEDULE I : OTHER INCOME**

	Year ended December 31, 2010 Euros	Year ended December 31, 2009 Euros
Interest on loans granted	-	-
Interest on debenture	-	-
Interest on call money	-	-
Interest on bank deposits	-	-
Interest on Short Term Deposit	-	-
Interest on advance towards property	-	-
Profit on sale of investment (net)	-	-
Profit on sale of fixed assets (net)	21,363	49,314
Advertisement income	-	-
Income from Material Testing	-	-
Excess provisions written back	-	-
Operation and Maintenance Grant from National Highways Authority of India	-	-
Miscellaneous income	48,060	389,729
<b>Total other income</b>	<b>69,423</b>	<b>439,042</b>

**INTEVIAL, S.A.****(FOR CONSOLIDATION INTO THE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION NETWORK)  
SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED December 31, 2010****SCHEDULE J : OPERATING EXPENSES**

	<b>Year ended December 31, 2010 Euros</b>	<b>Year ended December 31, 2009 Euros</b>
Material Consumption	390,088	1,103,185
Cost of traded products	-	-
Construction Contract Costs	5,657,806	5,461,162
Fees for technical services / design and drawings	-	-
Diesel and Fuel Expenses	303,141	343,691
Operation and maintenance expenses	367,791	406,676
Provision for overlay expenses	-	-
Periodic maintenance expenses	-	-
<b>Total operating expenses</b>	<b>6,718,825</b>	<b>7,314,714</b>



**INTEVIAL, S.A.****(FOR CONSOLIDATION INTO THE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION NETWORK SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED December 31, 2010)****SCHEDULE K : EMPLOYEE COST**

	<b>Year ended December 31, 2010 Euros</b>	<b>Year ended December 31, 2009 Euros</b>
Salaries and allowances	1,482,884	1,790,083
Contribution of provident and other funds	215,154	279,193
Staff welfare expenses	-	-
<b>Total employee cost</b>	<b>1,698,038</b>	<b>2,069,276</b>

**INTEVIAL, S.A.****(FOR CONSOLIDATION INTO THE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION NETWORKS LIM)  
SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED December 31, 2010****SCHEDULE L : ADMINISTRATIVE & GENERAL EXPENSES**

	Year ended December 31, 2010 Euros	Year ended December 31, 2009 Euros
Legal and consultation fees	46,522	50,525
ECR Operating and Administrative Expenses	-	-
Agency fees	-	-
Travelling and conveyance	64531.1	100,857
Rent	326690.45	410,543
Rates and taxes	28214.74	99,774
Repairs and maintenance	40,866	45,186
Bank commission	-	-
Registration expenses	-	-
Communication expenses	42999.26	49,419
Insurance	101097.37	106,370
Exchange rate fluctuation	-	-
Printing and stationery	30174.01	12,803
Electricity charges	5320.59	6,907
Cost of shared services	-	-
Directors' fees	-	-
Bad debts and provision for doubtful debts	10,311	696,243
Project management fees	-	-
Loss on sale of assets (net)	-	-
Royalty	-	-
Miscellaneous expenses	293,705	358,242
<b>Total administrative &amp; general expenses</b>	<b>990,430</b>	<b>1,936,869</b>

**INTEVIAL, S.A.****(FOR CONSOLIDATION INTO THE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION NETWORKS  
SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED December 31, 2010****SCHEDULE M : INTEREST & FINANCE CHARGES**

	<b>Year ended December 31, 2010 Euros</b>	<b>Year ended December 31, 2009 Euros</b>
Interest on loans for fixed period	41,697	91,109
Interest on debentures	-	-
Guarantee commission	-	-
Finance charges	15,619	43,685
Upfront fees on performance guarantee	53,434	58,376
Intrest on Deep Discount bonds	-	-
Other interest	-	-
<b>Total interest and finance charges</b>	<b>110,750</b>	<b>193,170</b>

**INTEVIAL, S.A.**

(FOR CONSOLIDATION INTO THE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION NETWORKS LIMITED)  
SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED December 31, 2010

**SCHEDULE N : PROVISION FOR TAXATION**

	Year ended December 31, 2010 Euros	Year ended December 31, 2009 Euros
Current tax	26,635	25,957
Tax related to earlier years	-	0
Fringe benefit tax	-	-
Deferred tax charge (net)	25,103	27,923
<b>Total provision for taxation</b>	<u>51,738</u>	<u>53,880</u>

INTEVIAL, S.A.  
(FOR CONSOLIDATION INTO THE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION NETWORKS LIMITED)  
SEGMENT INFORMATION

(1) Primary - Business Segments:

	Services for Surface Transportation Business		Trading		Treasury		Unallocated		Total
	31st March 2011	31st March 2010	31st March 2011	31st March 2010	31st March 2011	31st March 2010	31st March 2011	31st March 2010	
<b>Revenue</b>									
External									
Inter-Segment									
<b>Segment Revenue</b>									
Unallocated Income									
Total Revenue									
Segment expenses									
<b>Segment results</b>									
Unallocated income (excluding interest income)									
Unallocated expenditure									
Interest Expenses									
Interest Income unallocated									
Provision for taxation (Including Wealth Tax & Fringe Benefit Tax)									
Net Profit / (Loss)									
<b>Segment assets</b>									
Unallocated Assets									
Total assets									
<b>Segment liabilities</b>									
Unallocated Liabilities									
Total liabilities									
<b>Capital Expenditure</b>									
<b>Depreciation</b>									
<b>Non cash expenditure other than depreciation: (Employee benefits, provision for diminution)</b>									

Rupees

(II) Secondary - Geographic Segments:

	India		Outside India	
	31st March 2011	31st March 2010	31st March 2011	31st March 2010
<b>Revenue</b>				
External		-	-	-
<b>Assets</b>				
Segment assets				

- 1) Unallocated assets include investments, advance towards investments, loans, interest accrued but not due, option premium assets account, advance tax and fixed deposits
- 2) Unallocated liabilities include secured loans, unsecured loans, interest accrued but not due, deferred tax liability, advance towards capital, provision for tax and option premium liabilities account

**INTEVIAL, S.A.**  
**(FOR CONSOLIDATION INTO THE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION**  
**Related party information**

1. Name of the related parties and description of relationship:

<i>Nature of Relationship</i>	<i>Name of Entity</i>	<i>Acronym used</i>
<i>Holding Company :</i>		
<i>Fellow Subsidiaries</i>		
<i>Associates :</i>		
<i>Co - Venture :</i>		
<i>Key Management personnel :</i>		

2. Details of balances and transactions during the period with related parties

Euros

<i>Account head</i>	<i>Name of Entity</i>	<i>31st December 2010</i>	<i>31st December 2009</i>
<i>Balances:</i>	<i>Elsamex Internacional SL</i>	604,315	604,315
	<i>Elsamex SA</i>	203	203
	<i>Elsamex SA</i>	(32,334)	(32,334)
	<i>Intevia</i>	7,612	7,612
<i>Transactions:</i>			